

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS
CANBERRA, AUSTRALIA

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SURVEY OF SELECTED LARGE PRIVATE PENSION FUNDS

1964-65

This bulletin presents the results of a survey relating to the year 1964-65 of separately constituted private pension funds operated by a small number of large companies or groups of companies. Results of earlier surveys are also included for comparison.

2. For 1955-56, 1960-61, 1961-62 and 1962-63, the Bureau conducted sample surveys of pension and retiring allowance schemes in private businesses subject to pay-roll tax, other than in rural industries, private domestic services, and certain businesses such as accountants, trade associations, consultant engineers, etc. Commonwealth Government airlines and banks were included where they had established their own funds separately from the Commonwealth superannuation funds, but statutory coal miners' pension funds were excluded. Details were asked for three types of pension and retiring allowance schemes. They were (a) schemes operated through life insurance offices, (b) schemes operated through separately constituted funds, and (c) direct payments of pensions and retiring allowances. There are certain differences in scope and definition between the survey of 1955-56 and those of 1960-61, 1961-62 and 1962-63.

3. The results of the 1955-56 survey are available in Finance Bulletin No. 47, Part I, and the 1960-61, 1961-62 and 1962-63 survey results were published in Insurance and Other Private Finance Bulletin No. 2. Details of the operations of government and semi-governmental superannuation schemes were published in Insurance and Other Private Finance Bulletin No. 1 and No. 2 for 1961-62 and 1962-63 respectively, and in Part I of the Finance Bulletin for years prior to 1961-62. The results of the 1963-64 survey of government and semi-governmental superannuation schemes were published in March, 1966, in a mimeographed bulletin. The Monthly Bulletin of Life Insurance Statistics contains some information on the superannuation business of life insurance offices.

4. In the years 1956-57 to 1958-59, 1963-64 and 1964-65, information was collected from a selected number of the larger funds, and for the years 1960-61 to 1962-63 the returns for these selected pension schemes were extracted from the sample surveys and were tabulated in respect only of the business of their separately constituted funds. The private pension funds included in the tabulation of selected large funds for 1964-65 accounted in 1962-63 for about 27 per cent. of the income, 28 per cent. of the expenditure and about 34 per cent. of the total assets of the funds covered by the more comprehensive sample survey.

5. Since the survey of selected larger funds is not a representative sample it is not known to what extent their share of the whole field has changed since the 1962-63 survey; nor is the pattern of income and expenditure and the percentage asset distribution of the selected larger funds necessarily representative of the whole field.

NOTE. - Any discrepancies between totals and sums of components in tables in this bulletin are due to rounding.

In this issue all amounts have been converted to the equivalent amounts in decimal currency (1 pound = 2 dollars).

TABLE 1. - INCOME AND EXPENDITURE OF SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS

(Year ended 30th June or substituted accounting period)

(\$ million)

	Estimated Survey Total (a)				Selected Large Funds								
	1955-56	1960-61	1961-62	1962-63	1955-56	1956-57	1957-58	1958-59	1960-61	1961-62	1962-63	1963-64	1964-65
INCOME -													
Contributions -													
Employees	11.6	20.4	23.6	25.2	4.5	4.8	5.3	5.7	6.6	7.0	7.1	7.7	8.8
Employers	26.4	41.6	48.2	50.0	7.5	8.0	8.0	8.1	11.6	12.3	12.3	12.8	14.2
Interest, Rent and Dividends	13.6	29.2	34.0	39.2	5.2	6.3	7.5	8.4	10.7	12.3	14.0	15.6	17.2
Other Income (b)	1.4	6.4	9.4	11.8	0.1	0.2	1.5	1.4	1.7	0.6	1.1	1.4	1.3
TOTAL	53.0	97.6	115.2	126.2	17.3	19.3	22.3	23.6	30.6	32.2	34.5	37.5	41.5
EXPENDITURE -													
Pensions, Retiring Allowances and													
Refunds	11.8	24.2	29.0	34.8	3.8	4.7	5.3	6.0	7.6	8.8	9.8	11.2	12.9
Other Outlay (c)	2.2	3.8	4.8	6.0	..	4.7	5.3	6.0	7.6	8.8	9.8	11.2	12.9
TOTAL	14.0	28.0	33.8	40.8	3.8	4.7	5.3	6.2	8.0	9.2	10.4	11.8	13.7
Increase in Fund	39.0	69.6	81.4	85.4	13.5	14.6	17.0	17.4	22.6	23.0	24.1	25.7	27.8

(a) For each year the amounts shown are in respect only of separately constituted pension funds and are estimated totals for the whole field from which the sample was drawn. Figures in these tables therefore exclude schemes operated through life insurance offices and direct payments of pensions and retiring allowances. See second paragraph of text for description of coverage. (b) Includes profit on sale or revaluation of assets. (c) Includes loss on sale or revaluation of assets.

TABLE 2. - ASSETS OF SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS

(Book values at balance dates in the financial years quoted)

(\$ million)

	Estimated Survey Total (a)				Selected Large Funds								
	1955-56	1960-61	1961-62	1962-63	1955-56	1956-57	1957-58	1958-59	1960-61	1961-62	1962-63	1963-64	1964-65
Cash and Bank Balances	26.0	17.4	16.0	19.2	5.5	5.1	5.2	5.1	6.2	4.7	6.6	8.2	7.8
Commonwealth Govt. Securities	102.6	91.0	106.8	123.8	23.7	23.7	22.4	17.8	15.6	21.0	26.1	31.5	36.5
Local and Semi-Govt. Securities	83.8	148.8	165.8	187.2	37.4	42.5	47.9	49.4	54.1	57.8	62.7	62.1	61.6
Loans on Mortgage	23.4	43.6	42.0	43.0	13.7	15.5	16.1	17.1	22.6	23.4	24.2	25.4	29.5
Company Shares and Debentures	78.8	273.8	317.4	364.0	41.7	49.6	61.8	81.0	109.9	124.7	135.4	152.8	172.8
Other Assets (net)	22.0	15.2	21.6	17.8	0.4	0.6	0.8	1.3	1.3	1.0	1.5	2.3	1.9
TOTAL	336.6	589.8	669.6	755.0	122.5	137.0	154.2	171.6	209.7	232.5	256.6	282.3	310.1

(a) See note (a) to Table 1.

TABLE 3. - ASSETS OF SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS

(Percentage distribution at balance dates in the years quoted)

	Survey (a)				Selected Large Funds									
	1955-56	1960-61	1961-62	1962-63	1955-56	1956-57	1957-58	1958-59	1960-61	1961-62	1962-63	1963-64	1964-65	
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Cash and Bank Balances	8	3	2	3	5	4	3	3	3	2	3	3	2	2
Commonwealth Govt. Securities	31	15	16	16	19	17	15	10	7	9	10	11	12	
Local and Semi-Govt. Securities	25	25	25	25	31	31	31	29	26	25	24	22	20	
Loans on Mortgage	7	7	6	6	11	11	10	10	11	10	9	9	10	
Company Shares and Debentures	23	46	47	48	34	36	40	47	52	54	53	54	56	
Other Assets (net)	7	3	3	2	1	1	1	..	1	1	1	
<u>TOTAL</u>	100	100	100	100	100	100	100	100	100	100	100	100	100	

(a) See note (a) to Table 1.

K.M. ARCHER
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COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA, A.C.T.

4TH APRIL, 1966.

NOTE. - Inquiries concerning these statistics may be made in Canberra by telephoning 70413 Extension 583 or, in each State Capital, by telephoning the office of the Bureau of Census and Statistics.

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